

Notes and Guidance on the Finance Record 2002/03

(FE Colleges only)

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Section 1: Changes to Format of the Finance Record

- 1 The format used for the December 2002 finance record, as set out in Circular 02/07, *Further Education Colleges: Accounting Policies and Return of Audited Financial Statements*, has been amended for the following reasons:
 - a The finance record has now been updated to reflect the Statement of Recommended Practice: Accounting for Further and Higher Education Institutions (F&HE SORP), which should make the record easier to complete.
 - b In the past the Learning and Skills Council (LSC) has written to each college, after calculating a number of financial ratios from their financial statements, requesting concurrence with the statistics; the result being publication of the data through a LSC circular. However, this has proved to be a long process, with the information being extremely dated by the time it was published. For 2002/03 the LSC would like to publish the statistics gathered from the finance record in a more timely manner. It is anticipated that the LSC would be able to achieve this objective by including the financial ratios on Schedule 3, with the principal signing the agreement to the data listed within the record being published by the LSC on Form 4.
- 2 The changes to the 2002/03 finance record from the 2001/02 finance record are stated in Table 1.

Table 1. Changes to 2002/03 Finance Record from the 2001/02 Finance Record.

2002/03 Finance Record	2001/02 Finance Record
Form 1: Income and Expenditure Account	
Line 1, b, HEFCE iii) Release of capital grants iv) Other HEFCE income	New line iii) Other HEFCE income
Line 11 Surplus/(deficit) on continuing operations after tax	Line 10 Surplus/(deficit) including assets transactions (after tax)
Line 12 Transfer (to)/from revaluation reserve	Line 11 Transfer (to)/from revaluation reserve
Line 13 Historic cost surplus/(deficit)	Line 12 Historic cost surplus/(deficit)
Line 14 Balance b/f on income and expenditure account	Line 16 Balance b/f on income and expenditure account
Line 15 Historic cost surplus/(deficit)	New line
Line 16 Transfer (to)/from restricted reserves	Line 13 Transfer (to)/from restricted reserve
Line 17 Transfer (to)/from designated reserves	Line 14 Transfer (to)/from designated reserve
Line 18 Balance c/f on income and expenditure account	Line 17 Balance c/f on income and expenditure account

Form 2A: Non-Pay Expenditure Form	
Line 5 General education expenditure	Line 5 General education expenditure a) Marketing b) Examinations
Form 2B: Pay Expenditure Form	
Line 17 Average monthly number of persons (including senior postholders) employed by the college during the year expressed as full time equivalents (excluding contract tuition staff) a) Teaching departments (teaching staff) b) Teaching departments (other staff) c) Teaching support services d) Other support services e) Administration and central services f) Premises g) Other h) Total	New line
Form 3: Balance Sheet	
Line 2,c, Cash and short term investments (C&STI) i) Restricted C&STI from disposal of fixed assets held for future fixed asset acquisitions ii) Other short term investments and cash iii) Total cash and short term investments	Cash and short term investments New line New line New line
Schedule 1: LSC Funding and Other Items	
Line 5 Local initiative fund	Line 8 Local initiative fund
Line 7 ESF co-financing	New line
Line 8 Widening participation strategic partnerships	Line 7 Widening participation strategic partnerships
Line 12 Exceptional support package	New line
Line 13 Success for all	New line
Line 15 Total	Line 14 Total
Line 16 Access funds	Line 15 Access funds
Line 17 Total number of subsidiaries	Line 16 Total number of subsidiaries

Schedule 2: Staff Costs and Expenses	
Line 1 Senior postholders' emoluments	Line 1 Senior postholders' emoluments
Number of senior postholders including the principal	New line
d) Senior postholders' salary	New line
e) Senior postholders' benefits in kind	New line
f) Senior postholders' pension contribution	New line
g) Senior postholders' compensation for loss of office	d) Senior postholders' compensation for loss of office
Line 3 Overseas activities	Line 4 Overseas activities
Line 4 Audit fees	Line 3 (a) Audit fees
i) Financial statements auditors	i) External
ii) Internal auditors	ii) Internal
iii) Other	iii) Other
Line 5 Name of financial statements auditors	New line
Line 6 Name of funding auditors	New line
Line 7 Name of internal auditors	New line
Line 8 FRS 17 Retirement benefits disclosure note	Line 6 FRS 17 Retirement benefits disclosure note
Schedule 3: Miscellaneous (New Schedule)	
Line 1 Does the college have any contingent liabilities	New line
Line 2 Does the college have any exceptional items	New line
Line 3 Does the college have any prior year adjustments	New line
Line 4 Does the college have any post balance sheet events	New line

Schedule 4: Ratio Analysis

Line 9 Other ratios	Line 9 Other ratios
a) Average cost per teaching post (teaching departments)	New line
b) Average cost per other staff (teaching departments)	New line
c) Average cost per teaching support services staff	New line
d) Average cost per other support service staff	New line
e) Average cost per administration and central services staff	New line
f) Average cost per premises staff	New line
g) Average cost per other staff	New line

3 The following items have been deleted from the 2002/03 finance record.

- a Form 2A, line 5, general education expenditure. The line still exists but there is no longer a requirement to split this expenditure between marketing and examinations.
- b Form 3, line 2(c), short term investments and Form 3, line 2(d) Cash.
- c Schedule 1, line 5, rationalisation fund has been removed.
- d Schedule 1, line 12, foot and mouth has been removed.
- e Schedule 2, line 5, average monthly number of persons employed by the college during the year, expressed as full time equivalents.
- f Schedule 2, line 9(a), average cost per teaching post and line 9(b) average cost per non-teaching post.

4 The following items have been added to the 2002/03 finance record:

- a Form 1, line 1(b)(iii), Higher Education Funding Council (HEFCE) release of capital grants;
- b Form 2B, line 17, Average monthly number of persons (including senior postholders) employed by the college during the year expressed as full-time equivalents (excluding contract tuition staff);
- c Form 3, line 2(c), cash and short term investments (C&STI). This is now split into (i) restricted C&STI from disposal of fixed assets and held for future fixed assets acquisitions; and (ii) other short term investments and cash;
- d Schedule 1, line 7, ESF co-financing;
- e Schedule 1, line 13, exceptional support package;
- f Schedule 1, line 14, Success for All;
- g Schedule 2, line 1, number of senior postholders including the principal;
- h Schedule 2, line 1(d), senior postholders' salary;

- i Schedule 2, line 1(e), senior postholders' benefits in kind;
- j Schedule 2, line 1(f), senior postholders' pension contribution;
- k Schedule 2, line 2, name of financial statements auditors;
- l Schedule 2, line 3, name of funding auditors;
- m Schedule 2, line 4, name of internal auditors;
- n Schedule 3 is a new schedule that includes details of contingent liabilities, exceptional items, prior year; adjustments and post-balance sheet events;
- o Schedule 4, line 9, other ratios. The following ratios have been added to this section:
 - average cost per teaching post (teaching departments);
 - average cost per other staff (teaching departments);
 - average cost per teaching support services staff;
 - average cost per other support services staff;
 - average cost per administration and central services staff;
 - average cost per premises staff; and
 - average cost per other staff.

Section 2: Finance Record 2002/03

- 5 The finance record 2002/03 covers the 12-month period ending 31 July 2003. It requires colleges to complete the following:
- a Form 1: Income and Expenditure Account;
 - b Form 2A: Non-pay Expenditure;
 - c Form 2B: Pay Expenditure;
 - d Form 3: Balance Sheet;
 - e Form 4: Cash Flow Statement;
 - f Schedule 1: LSC Funding Allocation and Other Items;
 - g Schedule 2: Expenses;
 - h Schedule 3: Miscellaneous.
- 6 It includes the first column of forms 1, 2A, 2B and 4 and Schedule 1B of the three-year financial plan, and the second column of Form 3. Please note that finance record Schedule 1 is the equivalent to Schedule 1B of the financial plan. The finance record includes a new schedule, Schedule 3, which captures details of contingent liabilities, exceptional items, prior year adjustments and post-balance sheet events.

- 7 Colleges are asked to complete the column of figures in forms 1, 2A, 2B, 3 and 4 and Schedules 1, 2 and 3 and return this information to the LSC. Please ensure that line 1(a)(iii) of Form 1: release of capital grants, includes only LSC capital grants.
- 8 *Where there are variances between the final out-turn for 2002/03 and the forecast provided in July 2003 greater than 1% at the total expenditure line or total income line, colleges should explain the variances in an accompanying commentary.*
- 9 The workbook Record03.xls contains the finance record forms for 2002/03. Paragraph 147 below provides details on how to install the workbook.

Section 3: Guidance on Completing the Finance Record

Introduction

- 10 This section provides guidance on accounting policies and completing the finance record schedules and forms.

Finance records

- 11 The finance records are used for a number of purposes. The LSC expects colleges to use the record for internal planning and monitoring purposes, and reviews each financial statement and finance record alongside the strategic plan, accommodation strategy and other information. This is done in order to form an opinion on the financial health of the college and to determine whether there are issues to raise with the college. The LSC also considers whether it agrees with the college's self-assessment of its financial health.
- 12 The LSC aggregates all finance records to give a summarised view of the financial health of the sector. This summary is reported to the Council each May and is used to provide a benchmark for colleges in the sector. It also provides a basis for advice to the Secretary of State for Education and Skills.
- 13 The LSC also uses the aggregate data to respond to *ad hoc* queries from colleges and the department.

Details

- 14 Please enter the college's details, that is, name, college code and payment code in the relevant cells on the details worksheet.

Form 1: Income

- 15 The record requires colleges to analyse income sources and movements in this income. Income is split into Funding Council grants, tuition fees and education contracts, research grants and contracts, other income-generating activities, catering, residence and conferences, farming, investment income and other income, in order to determine the dependency of a college on particular sources of income.
- 16 Income from catering, residences and conferences, farming activities and other subsidiary activities are compared with the cost to see if these activities are subsidised or contribute to fixed costs.

Line 1, Funding Council grant income

- 17 This will include:
- a LSC income:
 - i) recurrent grant – allocation, including growth allocation;
 - ii) work-based learning income – including income from youth training (YT), employment training (ET), income from youth credits and trainee allowances;
 - iii) release of capital grants – this line matches the release from deferred capital grants held on the balance sheet to the corresponding expenditure (depreciation of assets funded by capital grants); and
 - iv) other LSC income – this includes income from other initiatives such as summer schools, University for Industry (Ufi) and the further education (FE) standards fund from Schedule 1.

18 Colleges should treat funds identified for capital purposes as deferred capital grants and credit them to a deferred capital grant account on the balance sheet. They should release the funds to the income and expenditure account in accordance with Statement of Standard Accounting Practice (SSAP) 4 *Accounting for Government Grants*, to reflect the revenue charges arising from the capital expenditure.

 - b HEFCE income:

- i) recurrent grant – include income received direct from the HEFCE for prescribed higher education, including that transferred from the LSC;
- ii) franchised and associated colleges – income to the college from higher education (HE) institutions for the provision of HE courses;
- iii) release of capital grants; and
- iv) other HEFCE income.

Line 2, Tuition fees and education contracts

19 This will include:

- a European Union (EU);
 - i) United Kingdom (UK);
 - ii) other EU;
- b non-EU – tuition fees and charges received from learners from outside the EU;
- c HE – tuition fees and charges received for all courses of prescribed HE;
- d employer-led provision:
 - i) dedicated; and
 - ii) other.
- e local education authority (LEA) contracts – all (LEA) income;
- f New Deal income;
- g other – include income for courses run for other authorities such as health authorities, and the Home Office (prison education).

20 To assist the LSC to monitor the achievement of targets for employer contributions, we ask colleges to record separately tuition fees for employer-led provision and, as a subset of this, fees for dedicated employer provision. Include in these headings the fees associated with learners recorded on the individualised learner record in any of the following fields:

- a S16 major source of tuition fees as employer code (3);
- b Q09 major source of tuition fees as employer code (3);
- c Q13 franchised-out arrangements codes (22) and (23);
- d Q35 employer role as employed and released by the employer to study a vocational qualification relevant to that employer (1), attending dedicated employer provision (3).

Line 3, Research grant and contracts income

21 This will include:

- a European funds – revenue grant income from European structural funds. Include the release of European Regional Development Fund (ERDF)

capital grants. Colleges receiving funds before incurring the cost relating to the grant will match the income and expenditure in their forecast by crediting current liabilities with the unexpended proportion of the grant;

- i) repayment of funds – this will include repayments of European funding as a negative figure. Disclose the type of European funding, for example European Social Fund (ESF), in any commentary;
- b) other funds – this will include income from the post-16 partnership funds and the skills development fund, and all income in respect of research carried out by the college.

Line 4, Other income

22 This will include the following:

- a) catering, residence and conference income – This item should also include any surpluses paid to the college from contracted-out services;
- b) farming activities;
- c) other income-generating activities – income not covered under other headings in respect of services rendered to outside bodies. This item will cover income from consultancy and any other non-teaching- related activity not already separately identified;
- d) results from subsidiary companies not consolidated profit/(loss) – agree the accounting treatment of subsidiary companies with the college's auditors. Note that materiality is not an appropriate reason for non-consolidation of accounts;
- e) releases from deferred capital grants (non LSC and HEFCE) – include capital grants from non-LSC sources; and
- f) miscellaneous income (excluding investments) – this will include:
 - examination fees – include those for professional examinations; and
 - other income – include all other sources of income not shown elsewhere and income from training restaurants and bars, beauty treatments, learner stationery sales, educational visits, value added tax (VAT) and rates recovered, nursery, gym, sundry income (that is, library).

Line 5, Endowment and Investment Income

23 This will include:

- a) investment income – include income earned on restricted endowments to the extent that the income is spent on capital or revenue items and any other investment income earned. Do not include interest that will be shown at line 5b; and
- b) interest receivable – include interest from all sources.

Line 6, Total income

24 This is the sum of lines 1 to 5.

Line 7, Total expenditure

25 This is taken from line 16 on Form 2B.

Line 8, Surplus/(deficit)

26 This is total income less total expenditure (line 6 less line 7), also known as the operating surplus or deficit. This is shown before and after taxation and excluding asset transactions. The taxation charge is recorded on Form 2A, non-pay expenditure.

Line 9, Surplus/(deficit) on asset disposals

27 This line shows the surplus/(deficit) on assets disposals, net of any disposal expenses.

Line 10, Surplus/(deficit) on continuing operations after depreciation of assets at valuation, disposal of assets and tax

28 This line shows the surplus/(deficit) including asset transactions after taxation (line 8(b), surplus/(deficit) after tax plus line 9, surplus/(deficit) on asset disposals).

Statement of historical cost surpluses and deficits

Line 11, Surplus/(deficit) on continuing operations after tax

29 This is taken from line 10.

Line 12, Transfer (to)/from revaluation reserve

30 This is the sum transferred from the revaluation reserve to the income and expenditure account in order to balance the depreciation charge on revalued assets, and to release from the revaluation reserve any sums related to assets disposed of in the period.

Line 13, Historic cost surplus/(deficit)

31 This is the surplus or deficit in the year after the transfer to or from the revaluation reserve (line 11 plus line 12).

Movement in the income and expenditure account reserve

Line 14, Balance brought forward on the income and expenditure account

32 The college's general funds carried over from the previous period as set out in its audited financial statements.

Line 15, Historic cost surplus/(deficit)

33 This is taken from line 13.

Line 16, Transfer (to)/from restricted reserves

34 Include any sums brought back from restricted reserves to match specific items of expenditure and all appropriations of income to restricted reserves.

35 All such transfers to or from reserves must be explained in the notes to the financial statements.

Line 17, Transfer (to)/from designated reserves

36 Include sums brought back from designated reserves to match specific items of expenditure and all appropriations of income to designated reserves.

37 Explain all such transfers to or from reserves in the notes to the financial statements.

Line 18, Balance carried forward on the income and expenditure account

38 This is the sum of lines 14, 15, 16 and 17.

Form 2A: Non-pay Expenditure

39 The same breakdown of information is requested for non-pay and pay expenditure using the broad headings of teaching, other support, administration and premises. This analysis assists the LSC in responding to queries on teaching costs versus administration costs. We use the analysis to prepare benchmarking data for colleges on levels of expenditure.

40 Form 2A is for recording non-pay expenditure including materials, consumables, uncapitalised equipment, stationery, travel and subsistence, postage, telephone charges, books, periodicals, copyright licences, advertising, relocation contributions, consultancy fees, and insurance and revenue building works. Include these in the appropriate expense categories below.

Line 1, Teaching departments

41 This item will cover all revenue expenditure on teaching and demonstrating such as equipment maintenance, stationery, transport and field trips and open learning costs.

Line 2, Teaching support services

42 This item will cover the cost of centrally-organised services which provide teaching support to all learners, including:

- a library – collections of learning support materials such as books, periodicals, slides and video tapes, and including learning support centres if these are organised under the control of the college library;
- b computer and resource-based learning centres – the provision of computing facilities for the learner body as a whole. The running costs of administrative computers and charges for the administrative use of a central computer will be shown under line 4 and not here;
- c additional support costs – the non-pay cost of any additional support provided over and above the programme activities included in a standard learning programme, in order to help an individual learner to complete their learning programme. This could include the cost of a diagnostic assessment, specialist support, transport between college sites and materials. Equipment purchases will not be included here;
- d learner guidance on enrolment;
- e learner support;
- f payment to student unions;
- g recreation services such as non-curricular music, drama and sport;
- h medical services;
- i learner services such as careers advisory services, welfare services and specific charges for counselling;
- j learner transport;
- k general support fund payments; and
- l residential bursary payments.

Line 3, Other support services

43 This will include:

- a staff training (including costs of seminars);
- b print services;
- c expenditure on facilities such as theatres and galleries, except those run by teaching departments which will be included in line 1;
- d curriculum-development costs; and
- e nursery and work placements.

Line 4, Administration and central services

44 This will cover the general running costs of the college and those specifically charged to central services, such as:

- a revenue costs of administrative computing;
- b bank charges (excluding interest charges that are covered at line 14 below);
- c legal and audit fees;
- d insurance premiums other than buildings insurance that is covered at line 6(a) below;
- e travel and subsistence costs of the principalship and administrative staff;
- f recruitment costs, surveyors' fees, postage, telephones, subscriptions and payroll services;
- g copyright licence, revenue-running costs of payroll, central licences; and
- h administration costs of using agency or part-time staff, whether this function is carried out centrally or in departments.

Line 5, General education expenditure

45 This will encompass marketing costs such as overseas learner recruitment costs, publicity and promotion, including course advertising, prospectuses, market research, except where these are charged directly to college teaching departments, and examination costs.

Line 6, Premises

46 This will include:

- a running costs other than maintenance – for example, heating, lighting, cleaning, caretaking, water charges, security, insurance and national non-domestic rates;
- b maintenance – short- and long-term maintenance costs, for example, unblocking drains and repairing breakages; and
- c rents and leases – the cost of acquiring space which is not owned by the college, including:
 - moving costs, refurbishment costs; and
 - minor building improvements and alterations not capitalised.

Lines 7 to 9, Other income-generating activities, catering, residences and conferences and farming activities

47 The costs shown under these three headings will be the marginal costs of providing the activities that generate the corresponding streams of income shown in Form 1. Where catering services are contracted out, enter any subsidy here. Marginal costs in these cases are defined as the additional costs incurred in order to secure the income.

Line 10, Franchising provision costs

48 Include all franchising provision payments other than staff in this heading.

Line 11, Miscellaneous

49 This includes costs not shown elsewhere and will include trainee allowance costs where the college acts as the managing agent. Colleges should avoid charging items to this heading wherever possible. Other expenses to be included are as follows:

- a provision for bad debts;
- b costs for training restaurants/hair and beauty salons;
- c research expenditure; and
- d revaluation loss on equipment financed by grant.

Line 12, Depreciation

50 This line should match the depreciation charge for the year indicated by the note in the financial statements on tangible fixed assets.

Line 13, Interest on SSAP 24 provision

51 Interest on SSAP 24 provisions brought forward from the provisions note in the financial statements.

Line 14, Other interest payable

52 Include interest on long-term loans, bank overdrafts and local authority deficit loans.

Line 15, Taxation

53 Include any taxation charges. Non-recoverable value-added taxation charges will be allocated to the appropriate expenditure heading.

Line 16, Total non-pay expenditure

54 This is the sum of lines 1 to 15.

Form 2B: Pay expenditure

55 Pay expenditure will include basic payroll costs, overtime and other allowances and additions, employers' superannuation costs, employers' national insurance contributions, premature retirement costs and redundancy costs.

Line 1, Teaching departments

56 This will include:

- a teaching staff – include the cost of staff who teach on courses where the college charges full or partial cost recovery and on short and special courses. Where the effect is material, apportion the costs of teaching staff that split their time between teaching and other income-generating activity (line 7 below) between line 1(a) and line 7 below. Include any costs of staff cover for teaching staff in this line; and
- b other staff – include pay for other teaching department staff such as technicians and clerical teaching support staff. Record the costs of departmental staff involved in administrative tasks such as registry, procurement or finance under administration and central services.

Line 2, Teaching support services

57 This will include the costs of any staff predominantly employed for:

- a libraries – the cost of all employees, wholly or mainly engaged in library duties or with other learning support centres under the control of the library;
- b computer and resource-based learning centres – the cost of staff managing and running such centres. The cost of staff engaged in administrative computing work will be shown under line 4;
- c additional support – the cost of staff providing additional support to individual learners over and above the programme activities included in a standard learning programme. This could include literacy or numeracy support, counselling, teachers of the deaf, Braille support and communicators/interpreters;
- d additional support – the cost of staff providing additional support to individual learners over and above the programme activities included in a standard learning programme. This could include literacy or numeracy support, counselling, teachers of the deaf, Braille support and communicators/interpreters;
- e learner guidance on enrolment;
- f learner support, including the cost of administering access funds; and
- g college nurses, learner welfare officers, recreation tutors, accommodation officers, careers officers and counsellors.

Line 3, Other support services

58 This will include:

- a staff training costs – the directly identifiable costs of staff training and development, including the cost of staff tutors and their support staff;
- b print services staff, student union staff (if the student union is not a separate legal entity) and curators;

- c nursery staff; and
- d work placement team reception.

Line 4, Administration and central services

59 Include the pay and costs of other emoluments of staff such as the principalship, the directorate and support staff such as finance, personnel and administration.

It also includes:

- a management information systems (MIS);
- b registry (examinations);
- c computer maintenance/software development;
- d staff involved in fundraising/community-focused roles;
- e data input staff;
- f work-based learning and New Deal administration costs;
- g timetabling staff;
- h quality unit;
- i marketing – including learner recruitment, publicity and promotion; and
- j examinations.

Line 5, Premises

60 This will include:

- a running costs – the cost of cleaning, caretaking and security staff; and
- b maintenance – the cost of staff engaged on routine and long-term maintenance, including the salaries of health and safety officers.

Lines 6 to 8, Other income-generating activities, catering, residences and conferences and farming activities

61 Lines 6, 7 and 8 will include all relevant pay-related costs on the same basis as in Form 2A, lines 7 to 9. Where teaching staff carry out consultancy contracts, identify costs separately.

Line 9, Franchising provision costs

62 Include franchising provision pay costs of the college's own employees under this heading.

Line 10, Miscellaneous

63 Include any staff costs not included in previous lines. If there are any staff costs associated with training restaurants or hair and beauty salons linked to income generation or research expenditure, then they will be included here.

Line 11, Contract tuition services

64 This will include the pay costs of agencies used for providing tuition services. Although the LSC requires contract tuition services to be shown as pay expenditure in the finance record, the F&HE SORP states that contract tuition services must be shown as non-pay expenditure in the college's financial statements.

Line 12, Total pay expenditure before restructuring

65 Sum of lines 1 to 11. This line is used in calculating ratios.

Line 13, Staff restructuring

66 This will include:

- a initial cost – include all staff-related initial payments in respect of restructuring (redundancy compensation and enhanced lump sum payments); and
- b SSAP 24 provision – this is both the provision for any enhanced pension entitlement given and any provision necessary because of the underfunding of the college's liability under the Local Government Superannuation Scheme (LGSS).

67 Colleges undertaking a staff restructuring scheme whereby enhanced pensions are granted, will be required to calculate a provision for future pension costs as described in SSAP 24, *Accounting for Pension Costs*.

68 Guidance on calculating SSAP 24 provisions is contained in Supplement B of this circular.

Line 14, Total pay expenditure after restructuring

69 Sum of lines 12 and 13(a) and 13(b).

Line 15, Total non-pay expenditure

70 This is line 16 from Form 2A.

Line 16, Total expenditure

71 This is the sum of lines 14 and 15.

Line 17, Average monthly number of persons (including senior postholders) employed by the college during the year expressed as full time equivalents (excluding contract tuition staff).

72 Colleges should be disclosing in their financial statements the average monthly number of persons (including senior postholders) employed by the college

during the year. Colleges are requested to transfer these details to lines 17(a) to 17(g) of the finance record as detailed below:

- a teaching departments:
 - i) teaching staff; and
 - ii) other staff;
- b teaching support services;
- c other support services;
- d administration and central services;
- e premises;
- f other; and
- g total.

Form 3: Balance Sheet

Line 1, Fixed assets

73 Fixed assets include:

- a inherited land and buildings – the value of land and buildings acquired on vesting day;
- b the value of land and buildings acquired post-vesting day, funded by capital grant and valued at cost or subsequent revaluation;
- c the value of all other land and buildings valued at cost or subsequent revaluation;
- d the value of equipment acquired on vesting day;
- e the value of equipment acquired post-vesting day, funded by capital grant and valued at cost;
- f the value of all other capitalised equipment valued at cost or subsequent revaluation;
- g investments held as long-term assets valued at the lower of cost or market value;
- h other fixed assets; and
- i total of lines 1(a) to 1(h).

Line 2, Current assets

74 This will include:

- a stocks – the value of stocks such as farm stock at the lower of cost or realisable value;
- b debtors;
- c C&STI;
 - i) restricted C&STI from disposal of fixed assets and held for future fixed-asset acquisitions (see paragraphs 77 to 84 of Circular 03/08 for guidance);
 - ii) other short-term investments and cash;
 - iii) total cash and short-term investments;
- d total of lines 2(a) to 2(c).

Line 3, Creditors: amounts falling due within one year

75 This will include:

- a overdrafts;
- b other loans falling due for repayment within one year;
- c a deficit loan repayable inside one year;
- d trade creditors;
- e amounts due to the Inland Revenue and pension funds;
- f payments on account and deferred income;
- g all other short-term creditors – include any monies due to the LSC for recovery of funds for underachievement;
- h total of lines 3(a) to 3(g).

Line 4, Net current assets/(liabilities)

76 Line 2(e) minus line 3(h).

Line 5, Total assets less current liabilities

77 Line 1(i) plus line 4.

Line 6, Creditors: amounts falling due after one year

78 This will include:

- a loans falling due for repayment after one year;
- b the portion of any LEA deficit loan falling due for repayment after one year;
- c other long-term liabilities;
- d total of lines 6(a) to 6(c).

Line 7, Total provisions

79 This should include long-term provisions.

Line 8, Total assets less liabilities

80 Line 5 minus line 6(d) minus line 7.

Line 9, Deferred capital grants

81 This will be the balance carried forward of deferred capital grants.

Line 10, Revaluation reserves

82 The amount by which tangible fixed assets were revalued, adjusted for sums released to the income and expenditure account and unrealised gains and losses.

Line 11, Restricted reserves

83 The value of funds earmarked for specific purposes that cannot be used at the discretion of the governors for any other purpose – for example, charitable bequests.

Line 12, Designated reserves

84 The value of funds set aside for specific purposes by the governors, for example, for capital purposes.

Line 13, Income and expenditure account

85 The accumulated balance on the income and expenditure account.

Line 14, Total reserves

86 The sum of lines 10 to 13.

Line 15, Total (including deferred capital grants)

87 The sum of lines 9 and 14.

Form 4: Cash Flow Statement

88 This schedule calculates a cash flow statement, as required by Financial Reporting Standard 1 (FRS 1) *Cash flow statements (revised 1996)*. The entries on this form are as follows:

- a cash is regarded as cash-in-hand, deposits and overdrafts repayable on demand (under one working day's notice);

- b liquid resources are (readily disposable) current asset investments. They are capable of disposal without disrupting the business and are either traded in an active market or readily convertible into known amounts of cash. Liquid resources include items such as money market deposits, listed investments and local authority bonds;
- c net debt is defined as borrowings under FRS 4 *Capital Instruments*, plus obligations under finance leases less cash and liquid resources. This includes any loans, debentures or balance on inherited deficit loans;
- d an additional section on management of liquid resources is included in the cash flow statement. Cash inflows include withdrawals from deposit accounts or disposal of investments. Cash outflows include the placing of a deposit or acquisition of investments; and
- e the standard requires a separate reconciliation of net cash flow to movement in net debt.

Line 1, Net cash inflow/(outflow) from operating activities

89 This will show the net increase or decrease in cash and cash equivalents resulting from operations shown in the income and expenditure account. This is calculated from the surplus/deficit generated in the period by adjusting for:

- a depreciation;
- b deferred capital grants released to income;
- c profit/loss on disposal of fixed assets;
- d increase/decrease in stocks;
- e interest payable;
- f increase/decrease in debtors;
- g increase/decrease in trade creditors;
- h increase/decrease in tax and pension contributions;
- i increase/decrease in other payments on account;
- j increase/decrease in other liabilities;
- k increase/decrease in provisions; and
- l interest receivable.

Line 2, Returns on investments and servicing of finance

90 Shows the cash inflow/(outflow) in the period through:

- a interest received;
- b interest paid;
- c interest element of finance lease rental payments; and
- d net cash inflow/(outflow) from returns on investment and servicing of finance (the sum of lines 2(a) to 2(c)).

Line 3, Taxation

91 This line will include cash flows to or from taxation authorities in respect of the institution's revenue and capital surpluses. Deal with cash flows in respect of other taxation, including payments and receipts in respect of VAT within operating activities.

Line 4, Capital expenditure and financial investment

- a payments to acquire fixed assets – includes all expenditure, irrespective of how the acquisition was financed;
- b receipt from the sale of fixed assets;
- c deferred capital grants received – include all capital grants received in the period, whether from the LSC or any other source; and
- d net cash inflow/(outflow) from capital expenditure - the sum of lines 4(a) to 4(c).

Line 5, Management of liquid resources

92 This shows the cash inflow/(outflow) in the period from:

- a withdrawals or disposals – this will be positive;
- b deposits or acquisitions – this will be negative; and
- c net cash inflow/(outflow) from management of liquid resources – the sum of lines 5(a) and 5(b).

Line 6, Financing

93 This shows the cash inflow/(outflow) in the period from:

- a new secured loans;
- b new unsecured loans;
- c repayments of amounts borrowed – secured and unsecured loans;
- d repayment of the LEA deficit loan;
- e capital element of finance lease rental payments; and
- f net cash inflow/(outflow) from financing. The sum of lines 6(a) to 6(e).

Line 7, Increase/(decrease) in cash

94 The sum of lines 1, 2(d), 3, 4(d), 5(c) and 6(f).

Line 8, Reconciliation of net cash inflow/(outflow) to movement in net funds/(debt)

95 This shows the change in net debt or net funds during the course of each year:

- a increase/(decrease) in cash – this will equal line 7;
- b cash to repay debt – this will equal the sum of lines 6(c) and (d);

- c cash used to increase liquid resources – this will equal line 5(c);
- d new loans and finance leases;
- e change in net funds/(debt) is the sum of lines 8(a) to (d);
- f net funds/(debt) at the beginning of the year; and
- g net funds/(debt) at the end of the year.

96 Please note that line 8(g) will be the sum of lines 8(e) and 8(f).

Line 9, Has the college revalued its assets since incorporation?

97 This is linked to an error message on Form 3. Please enter 'Y' or 'N'.

Line 10, College's self-assessment of financial health

98 The LSC requests colleges to insert their assessment of the most appropriate financial health group for the college on Form 3 (at line 10).

Line 11, Principal's certificate

99 The principal signs and dates Form 4 to indicate that the record is complete and that the key ratios accurately reflect the audited financial statements for the year ended 31 July 2003. By signing the form, the principal also agrees to the data within the finance record being published by the LSC at a later date. However, the LSC will not publish the college's financial health group as indicated in the finance record.

Schedule 1: LSC Funding Allocation and Other Items

Purpose of schedule

100 This schedule is used in order to estimate the amount of other income received from the LSC. The total income received is carried forward to Form 1, line 1(a)(iv).

Completion of the schedule

101 This schedule is included to show the breakdown of other LSC income as shown in Form 1, line 1(a)(iv) of the finance record.

Line 1, Learner support funds

102 This is income received from additional childcare support funds and residential bursaries. Further details regarding this fund are in LSC Circular 01/12 *FE Childcare Places Grant Programme 2001/02 to 2003/04*.

Line 2, Ethnic minority student achievement grant (section 11)

103 This is income received for projects previously carried out under section 11 of the Local Government Act 1966.

Line 3, Basic Skills Quality Initiative

104 This is additional income received for improving the quality of basic skills provision. Further details regarding this fund are in LSC Circular 02/02 *Quality Improvement*.

Line 4, Individual Learning Accounts

105 This is income received for Individual Learning Accounts.

Line 5, Local Initiative Fund

106 This is income received from the local LSCs' Local Initiative Fund.

Line 6, FE standards fund

107 This is income received from the FE standards fund. Further details regarding this fund are in LSC Circular 02/02 *Quality Improvement*.

Line 7, ESF co-financing

108 This is income revenue received from the LSC from ESF co-financing. If the college is responsible for the grant then ESF income should be shown on line 3(a) of Form 1, European funds.

Line 8, Widening participation strategic partnerships

109 This is income received from these partnerships.

Line 9, Ufl projects

110 This is income received for Ufl projects separate from that included at Form 1, line 1(a)(i).

Line 10, Centres of Vocational Excellence

111 This is income relating to the funding of Centres of Vocational Excellence. Further details regarding this fund can be found in LSC Circular 02/08 *Centres of Vocational Excellence*.

Line 11, Teachers' Pay Initiative

112 This is income relating to the Teachers' Pay Initiative.

Line 12, Exceptional support package

113 Include any income received by the LSC as part of an exceptional support package.

Line 13, Success for All

114 This is income received as a result of Success for All funding for infrastructure and equipment.

Line 14 Other LSC income

115 This is all other learning and skills income not included in the categories above.

Line 15, Total

116 The sum of lines 1 to 14.

Line 16, Learner support funds: access funds

117 This is the amount of access funds spent in the year. Access funds income and expenditure should not be included in the college's income and expenditure account as per guidance issued in Supplement D of this circular.

Line 17, Total number of subsidiaries

118 Please enter the number of subsidiaries owned or partly owned by the college.

Schedule 2: Expenses**Purpose of schedule**

119 This schedule is used to show the key pay and non-pay expenditure disclosure notes from the college's audited financial statements.

Completion of the schedule**Line 1, Senior postholders' emoluments**

120 Please include the number of senior postholders, including the principal, at line 1. Lines a to f will include:

- a principal's salary – the gross salary paid to the principal;
- b principal's benefits in kind – to include all benefits in kind, which are disclosed to the Inland Revenue;
- c principal pension contribution –this should be the college's contribution to the principal's pension;

- d senior postholders' salary – to include the gross salary paid to senior postholders;
- e senior postholders' benefits in kind – to include all benefits in kind, which are disclosed to the Inland Revenue;
- f senior postholders' pension contribution – this should be the college's contribution to senior postholders' pensions; and
- g senior postholders' compensation for loss of office – this should be a disclosure note in the financial statements and have been approved by the college's remuneration committee.

Line 2, Pay awards

121 These are the amounts for pay awards that the corporation has approved for the principal, senior postholders, higher paid staff and all other staff. The increase will not include incremental increases in pay.

Line 3, Overseas activities

122 This will indicate the amount (if any) that the college has spent on overseas activities during the year. The expenditure will net of any contributions made and be split between members, senior postholders (including the principal), other higher paid staff and other staff.

Line 4, Audit fees

123 This will indicate the amount that has been paid for internal audit, financial statements audit and other audit services.

Line 5, Name of financial statements auditors

124 Include details of the college's financial statements auditors.

Line 6, Name of funding auditors

125 Include details of the college's funding auditors.

Line 7, Name of internal auditors

126 Include details of the college's internal auditors

Line 8, FRS 17 *Retirement Benefits* disclosure note

127 Colleges should be including in their 2002/03 financial statements a disclosure note on the effect of implementing FRS 17 *Retirement Benefits*. Colleges are requested to disclose at line 8(b) the amount of the net pension asset/(liability) after complying with FRS 17.

Schedule 3: Miscellaneous

Line 1, Does the college have any contingent liabilities?

128 Include a brief description of any contingent liabilities and state a value, if known.

Line 2, Does the college have any exceptional items?

129 Include a brief description of any exceptional items and state a value, if known.

Line 3, Does the college have any prior year adjustments?

130 Include a brief description of any prior year adjustments and state a value, if known.

Line 4, Does the college have any post-balance sheet events?

131 Include a brief description of any post-balance sheet events and state a value, if known.

Schedule 4: Ratio Analysis

132 This schedule is used to inform colleges of key financial ratios from the financial statements/record.

Line 1, Income used in ratio analysis

133 The income used in this financial ratio is calculated as follows:

Total income, excluding asset transactions (Form 1, line 6) less release of capital grants (LSC) (Form, 1 line 1(a)(iii)) less release of capital grants (HEFCE) (Form 1, line 1(b)(iii)) less releases from deferred capital grants (non-LSC) (Form 1, line 4(e)).

Line 2, Short-term solvency

134 The ratios under this heading indicate the short-term liquidity of the college. The ratios are as follows:

- a Cash days in hand – This indicates the number of cash days the college has in hand to pay its creditors. A college which has, or aspires to have, robust financial health should look to have at least 25 cash days in hand. The ratio is calculated as follows:

Total cash and short-term investments (Form 3, line 2(c)(iii)) less bank overdrafts (Form 3, line 3(a)) multiplied by 365 (days) divided by total income (calculated at paragraph 134 above).

- b Current ratio – This compares the college’s current assets with its current liabilities. A college which has, or aspires to have, robust financial health should look to have at least a current ratio of 1.5:1. The ratio is calculated as follows:

Total current assets (Form 3, line 2(d)) divided by total current liabilities (Form 3, line 3(h)).

- c Quick ratio – This ratio (commonly called the acid test) is calculated in the same way as the current ratio, except stock is first removed from the current assets total. The ratio is calculated as follows:

Total current assets (Form 3, line 2(d)) less stock (Form 3, line 2(a)) divided by total liabilities (Form 3, line 3(h)).

- d Debtors days (excluding Funding Council grant income) – This ratio indicates in days how quickly it takes the college to collect its outstanding debts. It is calculated as follows:

Debtors (Form 3, line 2(b)) divided by (total income (Form 1, line 6) less releases from deferred capital grants (non-LSC) (Form 1, line 4 (e)) less interest receivable (Form 1, line 5(b)), multiplied by 365 (days).

- e Creditors days (non-pay expenditure) – This ratio indicates in days how quickly the college pays its debts. It is calculated as follows:

Trade creditors (Form 3, line 3(d)) divided by [total non-pay expenditure (Form 2A, line 16) less other interest payable (Form 2A, line 14) less depreciation (Form 2A, line 12) less interest on SSAP 24 provision (Form 2A, line 13)] multiplied by 365 (days).

Line 3, Ability to generate cash

- 135 This ratio indicates the college’s ability to generate cash from its income. It is calculated as follows:

Net cash inflow/(outflow) from operating activities (Form 4, line 1) divided by income (calculated at Schedule 4, line 1).

Line 4, Indebtedness

- 136 The ratios under this heading indicate the level of debt at the college and the effect of the borrowing on the college’s use of its income. The ratios are as follows:

- a Debt charges as a percentage of income – This is calculated as follows:

Repayment of amounts borrowed (Form 4, line 6(c)) plus repayment of LEA deficit loan (Form 4, line 6(d)) plus interest paid (Form 4, line 2(b)) plus interest element of finance lease rental payments (Form 4, line 2(c)) divided by income (calculated at Schedule 4, line 1).

- b Total borrowing as a percentage of income – This is calculated as follows:

Bank overdraft (Form 3, line 3(a)) plus total loans (Form 3, line 3(b)) plus Form 3, line 6(a)) plus total LEA deficit loan (Form 3, line 3(c)) plus Form 3, line 6(b)) divided by income (calculated at Schedule 4, line 1).

- c Total borrowing as a percentage of reserves – This is calculated as follows:

Bank overdraft (Form 3, line 3(a)) plus total loans (Form 3, line 3(b)) plus Form 3, line 6(a)) plus total LEA deficit loan (Form 3, line 3(c)) plus Form 3, line 6(b)) divided by total reserves (Form 3, line 14) less revaluation reserve (Form 3, line 10).

Line 5, Reserves

137 The ratios under this heading indicate the level of reserves at the college. The ratios are as follows:

- a Operating surplus/(deficit) as a percentage of income – This is calculated as follows:

Surplus/(deficit) after tax, excluding asset transactions (Form 1, line 8(b)) divided by income (calculated at Schedule 4, line 1).

- b Historical cost surplus/(deficit) as a percentage of income – This is calculated as follows:

Historical cost surplus/(deficit) (Form 1, line 13) divided by income (calculated at Schedule 4, line 1).

- c Available reserves as a percentage of income – This is calculated as follows:

Income and expenditure account (Form 3, line 13) plus designated reserves (Form 3, line 12) divided by income (calculated at Schedule 4, line 1).

- d Reserves as a percentage of income – This is calculated as follows:

Total reserves (Form 3, line 14) less revaluation reserve (Form 3, line 10) divided by income (calculated at Schedule 4, line 1).

Line 6, Spread of income

138 The ratios under this heading indicate the spread of income at the college. The ratios are as follows:

- a Dependency on LSC income – This is calculated as follows:

LSC recurrent grant (Form, 1 line 1(a)(i)) plus LSC work-based learning income (Form 1, line 1(a)(ii)) plus other LSC income (Form 1, line 1(a)(iv)) divided by income (calculated at Schedule 4, line 1).

- b Dependency on European income – This is calculated as follows:
Grant income European funds ((Form 1, line 3(a)) plus (Form 1, line 3(a)(i)) divided by income (calculated at Schedule 4, line 1).
- c Dependency on higher education income – This is calculated as follows:
Higher education income (Form 1, lines (1b)(i)) plus (1b)(ii)) plus (1b)(iv) plus tuition fees and charges (Form 1, line (2c)) divided by income (calculated at Schedule 4, line 1).
- d Dependency on other income – This is calculated as follows:
All other income not included in the above income ratios (Form 1, lines 2(a)(i), 2 (a)(ii), 2(b), 2(d)(i), 2(d)(ii), 2(e), 2(f), 2(g), 4(a), 4(b), 4(c), 4(d), 4(f), 5(a), 5(b)) divided by income (calculated at Schedule 4, line 1).

Line 7, Income generating activities

139 The ratios under this heading indicate the profitability of the college's income generating activities. The ratios are as follows:

- a Surplus/(deficit) on catering, residences and conferences – This is calculated as follows:
Catering, residences and conference income (Form 1, line 4(a)) minus catering, residences and conference expenditure (Form 2A, line 7) plus (Form 2B, line 6).
- b Surplus/(deficit) on other income-generating activities – This is calculated as follows:
Other income-generating activities income (Form 1, line 4(c)) minus other income-generating activities expenditure (Form 2A, line 8) plus (Form 2B, line 7).
- c Surplus/(deficit) on farming – This is calculated as follows:
Farming income (Form 1, line 4(b)) minus farming expenditure (Form 2A, line 9) plus (Form 2B, line 8).

Line 8, Analysis of pay expenditure

140 The ratios under this heading provide an analysis of the pay expenditure at the college. The ratios are as follows:

- a Pay expenditure as a percentage of income (including contract tuition services) – This is calculated as follows:
Total pay before restructuring (Form 2B, line 12) divided by income (calculated at Schedule 4, line 1).
- b Pay expenditure as a percentage of income (excluding contract tuition services) – This is calculated as follows:

Total pay before restructuring (Form 2B, line 12) minus contract tuition services (Form 2B, line 11) divided by total income (calculated at schedule 4 line 1).

- c Administration costs proportion – This is calculated as follows:

Total admin costs (Form 2A, line 4) plus (Form 2B, line 4)) divided by total expenditure (Form 2B, line 16).

Line 9, Other ratios

141 The following ratios have been calculated from the information in the finance record, which will be used by the LSC for benchmarking purposes:

- a Average cost per teaching post (teaching departments) – This is calculated as follows:

Teaching departments; teaching staff (Form 2B, line 1(a)) divided by number of teaching staff (FTEs) (input by college at Form 2B, line 17(a)(i)).

- b Average cost per other staff (teaching departments) – This is calculated as follows:

Teaching departments: other staff (Form 2B, line 1(b)) divided by number of non-teaching staff (FTEs) (input by college at Form 2B, line 17(a)(ii)).

- c Average cost per teaching support services staff – This is calculated as follows:

Teaching support services (Form 2B, line 2) divided by number of teaching support services staff (input by the college at Form 2B, line 17(b)).

- d Average cost per other support services staff – This is calculated as follows:

Other support services (Form 2B, line 3) divided by number of other support service staff (input by college at Form 2B, line 17(c)).

- e Average cost per administration and central services staff – This is calculated as follows:

Administration and central services (Form 2B, line 4) divided by number of administration and central services staff (input by the college at Form 2B, line 17(d)).

- f Average cost per premises staff – This is calculated as follows:

Premises (Form 2B, line 5(a)) plus (Form 2B, line 5(b)) divided by number of premises staff (input by the college at Form 2B, line 17(e)).

- g Average cost per other staff – This is calculated as follows:

Catering, residences and conferences (Form 2B, line 6) plus other income-generating activities (Form 2B, line 7) plus farming activities (Form 2B, line 8) plus franchised provision costs (Form 2B, line 9) plus

miscellaneous (Form 2B, line 10) divided by number of other staff (input by the college at Form 2B, line 17(f)).

- h Capital expenditure expressed as a percentage of income – This is calculated as follows:

Payments to acquire fixed assets (Form 4, line 4(a)) divided by income (calculated at Schedule 3, line 1).

Section 4: Miscellaneous

Error Messages

142 There are a number of error messages contained within the finance record spreadsheet.

Form 3: Balance Sheet

- a 'Balance sheet does not balance' – this matches line 8 (net assets) to line 15 (Total);
- b 'WARNING, total of inherited assets does not equal balance on revaluation reserve' – this is linked to the question on revalued assets on Form 4. If a college has not revalued its assets since incorporation, the value of its inherited assets should equal the balance on the revaluation reserve.

Form 4: Cash Flow Statement

- a Has the college revalued its assets – 'Please insert Y or N';
- b 'Please assign college to health group A, B or C'.

Potential problems

143 A number of issues caused problems to colleges when completing last year's finance record. The most common problems were:

- a balance sheet or cash flow does not balance;
- b saving data to disk; and
- c printing forms.

Solutions to these problems are suggested below.

Balance sheet does not balance

144 Many colleges 'completed' their financial statements, only to find that the balance sheet did not balance. Colleges should check for rounding errors.

Copying data to disk

145 If colleges have any problems with the operation of the workbook they should contact their local LSC. Colleges will be able to access details of their local LSC office from the LSC website at: <http://www.lsc.gov.uk/contact/contact.cfm>.

Downloading the finance record

146 The workbook for the finance record will be available on the LSC website (<http://www.lsc.gov.uk>). Colleges will be able to download the workbook in Excel 97/Excel 2000 on Windows '95.

Website

147 To download the workbook from the LSC website, go to www.lsc.gov.uk. Click on the link *Circulars*, then click on the link *2003* and scroll down to the circular entitled *Further Education Colleges Accounting Policies and Return of Audited Financial Statements*. Colleges will be able to download the spreadsheet as an Excel 97/Excel 2000 on Windows '95 workbook (please save the workbook in the same format).

148 A signed paper copy of the finance record should be submitted, with the audited financial statements, to the local LSC by 31 January 2004. In addition to this, please return a copy of the finance record via the LSC's web portal, by 31 January 2004.

Form layout

149 The screen titles will differ depending on the form selected. Depending on the screen settings of the monitor only part of a form may be seen at any time. The display can be changed within the current screen settings by choosing the percentage adjuster on the standard toolbar. Click on the scroll bar or the up and down arrows on the scroll bar to move up and down within the form.

150 The forms contain either data entry fields or data entry and calculated fields. Calculated fields are shaded and it is not possible to enter data into these fields. It is only possible to enter data into the data entry fields. All the other cells are locked and if an attempt is made to input data, an error message will inform the user that the field is locked. This means that data cannot be entered in this field.

Saving and exiting forms and schedules

- 151 To save information that you have entered or amended, select *Save* from the *File* menu or select *Close* from the *File* menu. If amendments are made to the workbook, the program will prompt you to save the changes before closing the workbook. You can use your own appropriate file names at this stage. Make sure you keep copies of this workbook.
- 152 Error messages will be shown on the individual forms if all schedules are not completed. These messages are explained in previous sections. It is necessary to save a form or schedule before exiting and the application will prompt you to do so when you try to close the file from a form or schedule. If no amendments are made, the form will close without prompting a save. Amendments made to the form or schedule will be lost if the form or schedule is *not saved*.

Printing forms

- 153 To print the details of an individual form or to print details of all forms:
- a select *Print* from the *File menu* options;
 - b the *Print* option is set up to print sheets individually. If you wish to print all of the worksheets, select *Entire workbook* from the *Print what* option;
 - c click on the *OK* button.
- 154 The printout will be sent to the current Windows default destination printer. If you wish to confirm or amend the destination printer, select *Print* from the *File menu* options. Check which printer is selected in the name box.
- 155 To select a different printer, press the arrow to the right of the *Name* box. This will provide you with a drop-down list of all available printers. Select the printer you require.
- 156 The page set-up default, for each form, is A4 size with portrait orientation.

Copying data for return to the LSC

- 157 The workbook can be saved on any available secure drive including networked drives (colleges are advised to store copies of the workbook in a safe place, that is, on a backed up drive or save a copy to floppy disk). When complete, the workbook should be saved to floppy disk using *File, Save As*, highlight drive A: and save the workbook as *Record03.xls*.

158 The workbook can also be copied onto disk from the drive in which it is stored by using Windows Explorer. To save the workbook *Record03.xls* onto disk using this method, ensure that the file to be saved is closed and insert a formatted disk in the computer disk drive (normally drive A:). In Windows Explorer select the folder where the workbook is stored on the hard drive, click on the workbook name, right mouse click and click *Copy*. Then select your floppy drive (usually A: drive), right mouse click and click *Paste*. When completed, the workbook should be saved to a floppy disk with the file name *Record03.xls*.